MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 3, 2018 / 2019

DBL5614 – PRINCIPLES OF BUSINESS LAW

(For Diploma Students Only)

30 MAY 2019
9.00 a.m. – 11.00 a.m.
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of **2** pages with 4 questions.
2. Answer all questions.
3. You are required to cite relevant provisions and case laws.
4. Write all your answers in the Answer Booklet provided.

QUESTION 1

A contract of sale of goods is a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price.

a) Briefly explain the rights of an unpaid seller against the goods. (8 marks)

b) List down any **TWO (2)** classification of goods. (2 marks)

c) Carmen and John have been in a relationship for more than 5 years. Last year, John gave Carmen a second hand car as a birthday present. Carmen decided to sell the car to Karen since she wanted to buy a new car. Karen agreed to buy the car and transferred RM50000.00 to Carmen's account. However, when Karen asked Carmen to transfer the title of the car to her, both of them realised that the car was actually a stolen car. Karen became angry and demanded Carmen to return the money that she has paid. Carmen refused and claimed that she had the right to sell because the car was in her possession.

Advise Karen as to whether the sale of goods between Carmen and her is valid. (15 marks)

[Total : 25 Marks]

QUESTION 2

a) Baran plans to buy a car under hire purchase agreement. Explain to him the formations of hire purchase agreement. (12 marks)

b) Briefly discuss the following:

i. Liability of guarantor (2 marks)

ii. Rights of guarantor against owner (6 marks)

iii. Rights of guarantor against hirer (5 marks)

[Total : 25 Marks]

Continued...

QUESTION 3

a) Explain the criminal jurisdiction of the following courts:

i. First Class Magistrates Court. (7 marks)

ii. Second Class Magistrates Court. (3 marks)

iii. Sessions Court. (2 marks)

b) Define the Doctrine of Stare Decisis and discuss on how this doctrine operates. (13 marks)

[Total : 25 Marks]

QUESTION 4

a) Gunavathi is a retired clerk who lives in Johor. Last year, she lost her husband due to lung cancer. Since then she suffered mental breakdown and was diagnosed with a mental illness. Her close friends and family were aware about her condition. They also knew that her husband left her with a big bungalow located in Pontian, Johor. Recently, Vinod went to see her and offered to buy the said bungalow. Gunavathi accepted the offer and was willing to sell the bungalow for only RM100 000.00. Vinod was so happy and immediately paid the said amount to her. However, Gunavathi's sister, Indra knew regarding this and became very angry hence, claimed that Vinod had manipulated Gunavathi to sell the bungalow at a price lower than the current market price. Moreover, he had knowledge of Gunavathi's mental illness. Still, Vinod insisted to proceed with the contract and claimed that the contract is valid.

Indra seeks your advise on whether the contract between Gunavathi and Vinod is valid. (15 marks)

b) Briefly explain **FOUR (4)** ways to revoke an offer in a contract. (10 marks)

[Total : 25 Marks]

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